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Inc.*

23 LIFE TECHNOLOGIES CORPORATION,  
and APPLIED BIOSYSTEMS, LLC,

**Plaintiffs,**

25 BIOSEARCH TECHNOLOGIES, INC.,  
26 BIO-SYNTHESIS, INC., and  
EUROFINS MWG OPERON INC..

## Defendants

Case No. 3:12-cv-00852-WHA (JCS)

## **JOINT CASE MANAGEMENT STATEMENT**

**Date:** April 5, 2012

**Time:** 11:00 a.m.

**Place:** Courtroom 8, 19<sup>th</sup> Floor

**Judge:** Hon. William H. Alsup

Pursuant to Civil Local Rule 16-9 and the Court's Order issued March 22, 2012 at Docket No. 300, Plaintiffs Life Technologies Corporation and Applied Biosystems, LLC (collectively "Life Tech") and Defendants Biosearch Technologies, Inc. ("Biosearch"), Bio-Synthesis, Inc. ("Bio-Synthesis"), and Eurofins MWG Operon, Inc. ("Eurofins") (collectively "Defendants") jointly submit this Joint Case Management Statement and Fed. R. Civ. P. 26(f) report and request that the Court adopt it as its Case Management Order in this case.

### **1. Jurisdiction & Service**

The parties agree that the Court has subject matter jurisdiction over Life Tech's claims and Defendants' counterclaims under 28 U.S.C. §§ 1331 and 1338(a) because this case involves a claim of patent infringement under 35 U.S.C. § 271. Venue is proper in this judicial district under 28 U.S.C. §§ 1331(b) and 1400(b), as well as the Federal Circuit's Order of December 22, 2011, transferring venue to this judicial district. There are no issues regarding service, personal jurisdiction, or venue. No named parties remain to be served. Bio-Synthesis has not made an appearance after transfer in this action to date, but is presently arranging for the retention of local counsel.

### **2. Brief Statement of Facts**

**Plaintiff:** Life Tech is a global biotechnology company that provides instruments, reagents and services for customers in life science research, clinical applications, and applied markets such as forensics. Life Tech's systems, consumables, and services enable researchers to accelerate scientific and medical advancements that make life even better. Life Tech's customers do their work across the biological spectrum, working to advance the fields of discovery and translational research, molecular medicine, stem cell-based therapies, food safety and animal health, and 21st century forensics. Life Tech was formed as a result of a 2008 merger between two leading biotechnology companies, Invitrogen Corp. and Applied Biosystems.

Life Tech has a long history of commitment to the research and development, as reflected in its portfolio of patents and intellectual property. Life Tech's business includes products for efficient and accurate DNA sequencing. Life Tech's patents in suit represent fundamental advances in a biochemical procedure known as PCR – polymerase chain reaction. PCR allows

1 small portions of DNA to be replicated – “amplified” – precisely into many millions of exact  
 2 copies. The patents-in-suit build on PCR by introducing a short strand of DNA, called a probe,  
 3 into the PCR reaction. Such probes can be engineered to bind to, or hybridize with, a sequence of  
 4 interest. Adding specific types of fluorescent labels to the probe allows scientists to monitor the  
 5 hybridization of the probe to the target sequence during PCR amplification, in real time. Life  
 6 Tech has a well-established licensing program, providing access to its technology to a variety of  
 7 industry participants and life science researchers and institutions.

8 Life Tech filed this case in the Eastern District of Texas on September 18, 2009, against  
 9 Biosearch, alleging that Biosearch’s manufacture and sale of dual -labeled fluorescent  
 10 oligonucleotide probes directly infringes and contributes to and induces infringement of U.S.  
 11 Patent Nos. 5,538,848; 5,723,591; 5,876,930; 6,030,787; and 6,258,569. On November 5, 2009,  
 12 Life Tech amended its complaint to name Bio-Synthesis, Eurofins, and The Midland Certified  
 13 Reagent Company, Inc. (“Midland”).<sup>1</sup> Defendants answered the Amended Complaint. In  
 14 addition to counterclaims for non-infringement and invalidity, Biosearch and Eurofins included a  
 15 counterclaim of inequitable conduct. On January 5, 2010, Biosearch and Eurofins filed a motion  
 16 to transfer the case to the Northern District of California. The Texas court denied that motion.  
 17 On October 14, 2010, Biosearch and Eurofins filed a motion for reconsideration of the court’s  
 18 order denying transfer. The Texas court also denied the motion for reconsideration. On July 18,  
 19 2011, Biosearch and Eurofins filed a petition at the Federal Circuit seeking a writ of mandamus to  
 20 transfer venue.

21 On September 22, 2011, while the petition for writ of mandamus was pending, the Texas  
 22 court issued its claim construction order. Dkt. No. 212.

23 On December 22, 2011, the Federal Circuit granted the petition to transfer venue. On  
 24 February 22, 2012, the case was transferred from the Eastern District of Texas and assigned to  
 25 Judge White. On March 22, the case was assigned to this Court.

26 Life Tech currently asserts that Defendants infringe each of the five patents in suit. Life  
 27 Tech intends to narrow the number of claims at issue to streamline this action for trial, and as of

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28 <sup>1</sup> The Midland Certified Reagent Company has since been dismissed from the action.

1 March 27, 2012, has filed a motion for leave to amend its infringement contentions [Docket No.  
 2 309].

3 The claim construction order resolved each of the disputed issues in favor of Life Tech.  
 4 The following facts are in dispute:

- 5 • Whether the asserted claims of Life Tech's patents are valid;
- 6 • Whether Defendants infringe the claims of Life Tech's patents;
- 7 • Whether Defendants have willfully infringed the patents; and
- 8 • The amount of damages owed to Life Tech to compensate for its loss

9 **Defendants:** Biosearch and Eurofins object to Life Tech's factual statements that include  
 10 material that is neither a chronology of the facts nor a statement of the principal factual issues as  
 11 directed by the Court's standing order regarding the content of joint case management conference  
 12 statements. Biosearch and Eurofins also object to Life Tech's characterization of the relevant  
 13 technology of the patents in suit.

14 Biosearch and Eurofins further assert that the following factual issues are in dispute:

- 15 • Whether the asserted claims of Life Tech's patents are enforceable against  
 16 Defendants; and
- 17 • Whether the asserted claims of Life Tech's patents are barred or limited by lack of  
 18 standing, prosecution history estoppel, unclean hands, laches, inequitable conduct, unavailability  
 19 of relief, adequate remedy at law, unavailability of enhanced damages, or failure to mark.

20       **3. Legal Issues**

21 The legal issues are:

- 22       a. The proper construction of the asserted claims of Life Tech's patents; Life Tech  
     believes the claim construction issues have already been resolved;
- 23       b. Whether Life Tech has established by a preponderance of the evidence that  
     Defendants infringe the claims of Life Tech's patents under 35 U.S.C. § 271;
- 24       c. Whether Defendants have proven by clear and convincing evidence that the  
     asserted claims are invalid;

- 1           d.     Whether Defendants have proven by clear and convincing evidence that the claims  
 2 are unenforceable;
- 3           e.     Whether Life Tech's claims are barred or limited by any of Defendants'  
 4 affirmative defenses;
- 5           f.     Damages, interest and costs under 35 U.S.C. § 284;
- 6           g.     Whether an injunction is appropriate under 35 U.S.C. § 283; and
- 7           h.     Whether and to what extent either party is entitled to recover attorney fees under  
 8 35 U.S.C. § 285.

9           **4. Motions**

10          The following motions were filed and resolved in this case: Biosearch and Eurofins'  
 11 Motion to Transfer Venue [Docket No. 27]; Midland's Motion for Severance and Transfer  
 12 [Docket No. 44]; Joint Motion to Enter Protective Order and Rule on Disputed Issues [Docket  
 13 No. 104]; Biosearch and Eurofins' Motion to Reconsider the Sept. 30, 2010 Order Denying  
 14 Defendants' Motion to Transfer Venue [Docket No. 122]; and Biosearch and Eurofins' Petition  
 15 for Writ of Mandamus to the Federal Circuit.

16          The following motions were pending at the time of transfer: the Joint Motion for  
 17 Electronic Discovery [Docket No. 144] and Biosearch and Eurofins' Motion for Reconsideration  
 18 of the Claim Construction Order [Docket No. 218]. As directed by Magistrate Judge Spero at  
 19 Docket No. 279, the parties filed a joint letter on March 28, 2012 regarding the parties' electronic  
 20 discovery dispute [Docket No. 308]. However, Biosearch and Eurofins respectfully request that  
 21 the Court consider and rule on the pending motion for reconsideration of the claim construction  
 22 order.

23          Since the transfer, Life Tech has filed the following motions: a Motion for Sanctions  
 24 [Docket No. 257] and a Motion for a Protective Order [Docket No. 253]. Those motions will be  
 25 heard by Judge Spero on April 27, 2012 at 9:30 am. Life Tech has also filed a motion for leave to  
 26 amend its infringement contentions [Docket No. 309].

27          Life Tech anticipates that it may be filing further discovery motions regarding: (1)  
 28 Biosearch and Eurofins' responses to Life Tech's interrogatories and requests for production; and

1       (2) Biosearch's failure to produce 3,000 email attachments it claims are either corrupted or  
 2 password protected. Life Tech may also file a Motion for Judgment on the Pleadings of  
 3 Biosearch's and Eurofins' Inequitable Conduct Counterclaim and affirmative defense.

4              Biosearch and Eurofins anticipate that they will shortly file a Motion for Summary  
 5 Judgment of Invalidity of U.S. Patent Nos. 5,723,591; 5,876,930; and 6,030,787.

6              **5.       Amendment of Pleadings**

7              Life Tech proposes a deadline to amend pleadings of June 1, 2012. Biosearch and  
 8 Eurofins assert that the deadline to amend pleadings was on June 10, 2011 and has passed,  
 9 pursuant to the Docket Control Order [Docket No. 84].

10              **6.       Evidence Preservation**

11              Life Tech represents that it has instituted reasonable document retention procedures so as  
 12 to maintain any relevant documents, electronic or otherwise, until this dispute is resolved.

13              Biosearch and Eurofins have imposed a litigation hold on documents related to this action.

14              **7.       Disclosures**

15              Life Tech has fully and timely complied with the initial disclosure requirements of Fed. R.  
 16 Civ. P. 26. Life Tech believes that Bio-Synthesis may need to update its initial disclosures,  
 17 served on March 3, 2011, as those disclosures state that Bio-Synthesis does not infringe the  
 18 patents-in-suit. However, Bio-Synthesis states in an interrogatory response that has no non-  
 19 infringement position.

20              Biosearch and Eurofins have fully and timely complied with the initial disclosure  
 21 requirements of Fed. R. Civ. P. 26 and served their disclosures on September 15, 2010.

22              **8.       Discovery**

23              The parties have been conducting discovery pursuant to a Discovery Order issued June 1,  
 24 2010, when the case was pending in Texas. Dkt. No. 83. There is currently a dispute concerning  
 25 appropriate search terms for electronic discovery. Other than this dispute, the Discovery Order in  
 26 place is appropriate and can govern the remainder of discovery.

27              Life Tech, however, will be seeking samples of Defendants' products for testing, as well  
 28 as DNA sequence information for all of the accused products.

1 Life Tech has served interrogatories and requests for production on all Defendants. Life  
 2 Tech has taken three party depositions that, by agreement, do not count against Life Tech in order  
 3 to address issues relating to the Motion for Sanctions.

4 Biosearch and Eurofins have taken the depositions of inventor Dr. Kenneth Livak and  
 5 non-party witnesses Dr. Lawrence Parkhurst and Dr. Laura Parkhurst. Biosearch and Eurofins  
 6 have not yet served any discovery requests.

7 **9. Class Action**

8 Not applicable.

9 **10. Related Cases**

10 Life Tech and Biosearch are also involved in litigation in the Southern District of  
 11 California that has been stayed pending several reexaminations. *Life Technologies Corp. v.*  
 12 *Biosearch Technologies Corp.*, 10-CV-2665 JAH (MDD) (filed on December 27, 2010). This  
 13 litigation involves different patents than the ones at issue in the current action before this Court.  
 14 Bio-Synthesis and Eurofins are not parties to the litigation in the Southern District of California.

15 **11. Relief**

16 Life Tech seeks monetary damages and injunctive relief. 35 U.S.C. § 284 provides:  
 17 "Upon finding for the claimant, the court shall award the claimant damages adequate to  
 18 compensate for the infringement, but in no event less than a reasonable royalty, for use made of  
 19 the invention by the infringer, together with interest and cost as fixed by the court." Accordingly,  
 20 Life Tech is entitled to damages adequate to compensate Life Tech for Defendants' infringement,  
 21 *i.e.*, lost profits, price erosion, but in no event less than a reasonable royalty. Life Tech will base  
 22 its damages on Defendants' sales of the infringing dual-labeled probes. Life Tech also seeks an  
 23 injunction against further infringement of the patents-in-suit. Life Tech also asserts that it is  
 24 entitled to interest and costs as fixed by the Court.

25 Because the computation of damages depends on a number of factors, which are subject to  
 26 ongoing fact and expert discovery, the complete computation cannot be provided at this time. Life  
 27 Tech will provide supplementary information containing a computation of damages after  
 28 damages-related discovery is made available by Defendants, including in particular, the sales of

1 Defendants' infringing products and their profits. Additionally, Life Tech will also ask the Court  
 2 to increase damages up to three times the amount pursuant to 35 U.S.C. § 284 and to award  
 3 attorneys' fees pursuant to 35 U.S.C. § 285 as a result of Defendants' willful infringement. Life  
 4 Tech will produce an assessment of attorneys' fees and costs when appropriate.

5 Biosearch and Eurofins seek a declaration by the Court that the asserted claims of Life  
 6 Tech's patents are not infringed by any Biosearch or Eurofins product, directly or indirectly and  
 7 that Life Tech is denied any remedies under 35 U.S.C. §§ 283, 284. Further, Biosearch and  
 8 Eurofins seek a finding that this is an exceptional case and an award of attorneys' fees pursuant to  
 9 35 U.S.C. § 285 and costs. Biosearch and Eurofins also seek a declaration that the asserted  
 10 claims of Life Tech's patents are invalid and unenforceable.

11 **12. Settlement and ADR**

12 Life Tech and Biosearch have participated in mediation twice, on May 14, 2010 before  
 13 The Honorable James L. Warren (Ret.), JAMS and on September 15, 2011 before the Honorable  
 14 Edward A. Infante (Ret.), JAMS. On June 20, 2011, Life Tech and Biosearch participated in a  
 15 telephonic Early Neutral Evaluation Conference before Magistrate Judge Mitchell D. Dembin in  
 16 the U.S. District Court for the Southern District of California to discuss settlement of the  
 17 Southern District of California litigation. On August 26, 2011, Life Tech and Biosearch again  
 18 participated in a settlement conference before Judge Dembin to discuss settlement of both  
 19 matters. The parties will comply with ADR L.R. 3-5.

20 Life Tech and Bio-Synthesis entered into a high/low settlement agreement on or about  
 21 February 3, 2011, the terms of which are confidential.

22 **13. Consent to Magistrate Judge For All Purposes**

23 The parties do not consent to a Magistrate Judge.

24 **14. Other References**

25 The parties do not believe that the case is suitable for reference to binding arbitration, a  
 26 special master, or the Judicial Panel on Multidistrict Litigation.

27 **15. Narrowing of Issues**

1 Life Tech has sought leave from the Court to amend its infringement contentions,  
 2 including a narrowing of the number of asserted claims and hopes that the parties will agree to a  
 3 set of stipulated facts, once trial approaches. Life Tech believes that any equitable defenses that  
 4 remain for trial such as inequitable conduct should be bifurcated for a bench trial following the  
 5 jury trial on liability and damages. Biosearch and Eurofins do not believe that bifurcated  
 6 proceedings are necessary.

7 **16. Expedited Trial Procedure**

8 The parties do not agree to an expedited trial procedure.

9 **17. Scheduling**

	Life Tech's Position	Biosearch & Eurofins' Position	Bio-Synthesis' Position
Close of Fact Discovery	July 27, 2012	July 27, 2012	
Opening Expert Reports	August 17, 2012	August 17, 2012	
Rebuttal Expert Reports	September 7, 2012	September 7, 2012	
Close of Expert Discovery	September 21, 2012	September 21, 2012	
Last Day to File Dispositive Motions	October 5, 2012	October 5, 2012	
Trial	November 26, 2012	December 3, 2012	

17 **18. Trial**

18 The case will be tried to a jury. Life Tech anticipates that the trial will take 7-10 full days.  
 19 Biosearch and Eurofins anticipate that the trial will take 7 days.

20 **19. Disclosure of Non-party Interested Entities or Persons**

21 Life Tech filed its Corporate Disclosure Statement on January 22, 2010. Life Tech  
 22 restates that Life Technologies Corporation ("LIFE") and Applied Biosystems, LLC ("ABI")  
 23 hereby state that LIFE has no parent corporation and no publicly held corporation owns 10% of  
 24 more of LIFE's stock, and that ABI is a wholly-owned subsidiary of LIFE.

25 Biosearch filed its Corporate Disclosure Statement on January 5, 2010. Biosearch hereby  
 26 restates that Biosearch has no parent corporation and no publicly-held corporation owns 10% or  
 27 more of its stock. Eurofins filed its Corporate Disclosure Statement on January 14, 2010.  
 28 Eurofins hereby amends the January 14, 2010 disclosure to state that Eurofins is 5 1/3 % owned by

1 Qiagen North American Holdings Inc. and 94 2/3 % owned by Eurofins Genomics Inc., which is  
2 wholly owned by Eurofins Genomics BV, a Dutch entity, which is indirectly majority owned by  
3 Eurofins Scientific SE. No publicly held corporation owns 10% or more of Eurofins' stock.

4

5 Dated: March 29, 2012

/s/ Brian C. Cannon

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Counsel for Plaintiffs

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8 Dated: March 29, 2012

/s/ Rita E. Tautkus

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Counsel for Defendants Biosearch and Eurofins

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## CASE MANAGEMENT ORDER

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The above JOINT CASE MANAGEMENT STATEMENT & PROPOSED ORDER is approved as the Case Management Order for this case and all parties shall comply with its provisions. [In addition, the Court makes the further orders stated below:]

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IT IS SO ORDERED.

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Dated:

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THE HONORABLE WILLIAM H. ALSUP  
UNITED STATES DISTRICT COURT JUDGE

## **ATTESTATION OF E-FILED SIGNATURE**

I, Brian C. Cannon, am the ECF User whose ID and password are being used to file this Joint Case Management Statement. In Compliance with General Order 45, X.B., I hereby attest that Rita E. Tautkus has concurred in this filing.

Dated: March 29, 2012

By \_\_\_\_\_ /s/ Brian C. Cannon  
Brian C. Cannon